

CLAIMS

What is claimed is:

1. A computer implementation method for deciding the quantity of shares of each security selected to form an investment portfolio, comprising:

providing an investment portfolio comprising selected securities from selected economic sectors;

weighting said selected economic sectors to provide a sector weight for said each selected economic sector;

weighting said selected securities from said each selected economic sector to provide an intra sector weight for said each selected security;

determining a dependent weight of said each selected security according to said intra sector weight of said each selected security, said sector weight of said each selected security's economic sector and a predetermined percentage;

determining an equal-weighted weight of said each selected security according to said sector weight of said each selected security's economic sector, said predetermined percentage and the number of selected securities from said each selected security's economic sector; and

adding said dependent weight to said equal-weighted weight of said each selected security to yield a portfolio weight of said each selected security.

2. The method of claim 1, wherein said sector weight of said each selected economic sector is determined by weighting said each selected economic sector according to a relative market capitalization of said each selected economic sector within said selected economic sectors.

3. The method of claim 1, wherein said intra sector weight of said each selected security is determined by weighting said each selected security according to the relative market capitalization of said each selected security within all selected securities from said selected security's economic sector.

4. The method of claim 1, wherein said dependent weight of said each selected security is a capitalization-weighted weight dependent on the relative market capitalization of said each selected security within all selected securities from said each selected security's economic sector.

5. The method of claim 1 wherein said selected securities are from the group of securities comprises the 500 stocks that make up the Standard and Poor's 500 Composite Stock Price Index.

6. The method of claim 1 wherein said selected economic sectors comprise eight economic sectors.

7. The method of claim 1 wherein said selected securities comprises 5 securities from said each selected economic sector.

8. The method of claim 1 wherein the predetermined percentage is 40%.

9. The method of claim 4 wherein the step of determining said capitalization-weighted weight of said each selected security further comprising:

(a) multiplying said intra sector weight of said each selected security by said sector weight of said each selected security's economic sector; and

(b) multiplying the result of said step (a) by said predetermined percentage.

10. The method of claim 9 wherein the step of determining said equal-weighted weight of said selected securities further comprising:

subtracting said predetermined percentage from 100%;

dividing the result from said subtraction by the number of selected securities from said each selected security's economic sector; and

multiplying the result from said division by said sector weight of said each selected security's economic sector.

11. The method of claim 1 further comprising purchasing said selected securities from said selected economic sectors, said purchased securities thereby forming said investment portfolio.

12. The method of claim 1 further comprising creating a pooled investment vehicle comprising said selected securities from said selected economic sectors.

13. The method of claim 1 further comprising creating a variable annuity comprising said selected securities from said selected economic sectors.

14. The method of claim 1 further comprising creating an investment account comprising said selected securities from said selected economic sectors.

15. The method of claim 1 further comprising creating an open-ended mutual fund comprising said selected securities from said selected economic sectors.

16. The method of claim 1 wherein said method is implemented on a computer as a software application program.

17. The method of claim 1 further comprising generating a securities database that may be stored, executed, and used by a computer.

18. The method of claim 1 wherein said investment portfolio is generated and stored as a computer file within said computer implementation.

19. The method of claim 1 wherein a sorting algorithm is used in said selecting a predetermined number of economic sectors and said selecting a predetermined number of securities.